Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

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SUBJECT: WEIL'S SPEECH

AS REQUESTED BY THE MISSION, FOLLOWING IS TEXT OF ASSIS-
TANT SECRETARY WEIL'S SPEECH BEFORE 1978 CHICAGO WORLD TRADE
CONFERENCE.

BEGIN TEXT

I FIRST WANT TO TELL YOU HOW PLEASED I AM TO JOIN YOU THIS
AFTERNOON TO DISCUSS ONE OF THE MOST IMPORTANT ECONOMIC
UNDERTAKINGS OUR NATION FACES.

FROM THE MOMENT I ARRIVED IN WASHINGTON ABOUT A YEAR AGO,
I HAVE ARGUED FOR AN AFFIRMATIVE STANCE ON EXPORTS AS A
MATTER OF THE HIGHEST NATIONAL PRIORITY. WITH OUR CURRENT
BALANCE OF TRADE, WE HAVE NO CHOICE, AND I REMIND PEOPLE ALL
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THE TIME THAT WHEN U.S. BUSINESS TRIES AND IS BACKED UP BY
ITS GOVERNMENT, IT COMPETES EFFECTIVELY ALL OVER THE WORLD
WITH SATISFACTION AND PROFIT.

THIS IS A MESSAGE I LIKE TO DELIVER, BUT IT IS ONE YOU
HAVE ALREADY HEARD AND PROBABLY TAKEN TO HEART OR YOU WOULD
NOT BE HERE AT THIS IMPORTANT TRADE CONFERENCE.

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I DO NOT BELIEVE IN PREACHING TO THE CHOIR -- MAINLY BECAUSE THEY ARE ALREADY TRUE BELIEVERS OR ARE SINGING THEIR OWN TUNE. ANYWAY, I, FOR ONE, CANNOT KEEP A TUNE. THEREFORE, INSTEAD OF TELLING YOU WHAT YOU NEED TO DO, I WANT TO EXAMINE THE ROOTS OF OUR EXPORT PROBLEM AND TELL YOU WHAT WE NEED TO DO IN WASHINGTON TO HELP. AT BOTTOM IS THE NEED FOR A NATIONAL EXPORT POLICY.

IT WAS HERE IN CHICAGO, NOT QUITE A YEAR AGO, THAT I GAVE MY FIRST MAJOR SPEECH ON INTERNATIONAL TRADE POLICY. I HAVE TO APOLOGIZE FOR ONE THING IN THAT SPEECH. I PREDICTED THAT THE UNITED STATES WOULD RUN A 1977 TRADE DEFICIT OF APPROXIMATELY $20 BILLION.

I WAS WRONG, WHILE OUR ESTIMATE REFLECTED THE IMPENDING DANGER, IT WAS FAR, FAR TOO LOW. AS IT TURNED OUT, AS YOU KNOW, THE 1977 DEFICIT REACHED AN UNPRECEDENTED LEVEL OF $31 BILLION -- ABOUT 1 1/2 PERCENT OF OUR GNP.

MANY COMMENTATORS WHO LAST JUNE THOUGHT THAT THE TRADE IMBALANCE WAS A TEMPORARY ANOMALY, REQUIRING LITTLE ATTENTION, HAVE NOW JOINED IN THE SEARCH FOR FUNDAMENTAL LONG-TERM SOLUTIONS. THEIR NEW-FOUND FAITH IS BOLSTERED BY FEBRUARY'S RECORD DEFICIT OF $4.5 BILLION. WHILE FEBRUARY MAY BE AN ABBERATION, WE STILL EXPECT THE 1978 DEFICIT TO
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REACH LAST YEAR'S UNPRECEDENTED LEVEL. AND THAT IS A VERY SERIOUS MATTER. THE DOLLAR IS IN TROUBLE, IMPORT PRICES ARE RISING RAPIDLY. INFLATION IS GAINING NEW MOMENTUM. AND PROTECTIONIST PRESSURES ARE MOUNTING.

IN WASHINGTON SOME OF US RECOGNIZE THE GRAVITY OF THE PROBLEM AND ARE TRYING TO MEET IT HEAD ON.

IT IS NOT ENOUGH TO RELY ON FLOATING EXCHANGE RATES.

IT IS NOT ENOUGH TO RELY ON A COMPREHENSIVE ENERGY POLICY, THOUGH IT IS ESSENTIAL THAT WE REDUCE OUR $4 BILLION A MONTH OIL IMPORT HABIT.

IT IS NOT ENOUGH TO RELY ON EFFORTS TO PERSUADE OUR FOREIGN TRADING PARTNERS TO REFLATE THEIR ECONOMIES.

IT IS NOT ENOUGH TO CONTINUE GOVERNMENT EXPORT DEVELOPMENT PROGRAMS IN A BUSINESS-AS-USUAL FASHION.

IT IS NOT EVEN ENOUGH TO HAVE AN ADEQUATE ANTI-INFLATION PROGRAM.

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THE FACT OF THE MATTER IS THAT OUR COMPETITIVE POSITION IS ERODING. WE ARE FALLING FURTHER AND FURTHER BEHIND IN WORLD MARKETS, AND NO ENERGY PROGRAM, NO INFLATION PROGRAM, NO FOREIGN GOVERNMENT ECONOMIC POLICY WILL CHANGE THAT. TO DEFEND THE DOLLAR AND THE ECONOMY, WE MUST ADDRESS ENERGY, INFLATION, AND FOREIGN GOVERNMENT POLICY IN A SIMULTANEOUS AND CONCERTED FASHION, AND THEN WE MUST DO MORE.

WE MUST SUMMON OUR INVENTIVENESS AND INGENUITY TO CREATE A NATIONAL EXPORT POLICY. TO DO OTHERWISE WOULD BE TO INVITE CONTINUED QUESTIONS ABOUT OUR RESOLVE TO DEAL WITH FUNDAMENTAL UNDERLYING ECONOMIC ISSUES. AND MERE QUESTIONING ITSELF FOSTERS A LACK OF CONFIDENCE, WHICH, AS WE HAVE

SEEN, NURTURES ECONOMIC DISTRESS.

WALL STREET HAS A SAYING -- WHICH, LIKE ALL OLD APHORISMS CONTAINS A SEED OF TRUTH, "MARKETS NEVER LIE". THE FOREIGN EXCHANGE MARKET FOR THE DOLLAR SUMS UP IN ONE NUMBER WHAT THE MILLIONS OF PEOPLE WHO HOLD DOLLARS THINK ON ANY GIVEN DAY ABOUT THE OVERALL POSITION OF THE UNITED STATES AND OUR ECONOMIC FUTURE.

FOR SURE, MARKETS SOMETIMES EXAGGERATE REALITY. WE MAY LOOK BACK ON THE DOLLAR'S LOWLY STANDING AGAINST THE DUETSCHE MARK AND THE YEN TODAY THE WAY WE LOOK BACK ON PRIME INTEREST RATES OF 12 PERCENT AND MORE -- AS AN ABERRATION. BUT WE CANNOT AFFORD THAT COMPLACENCY. THE SEEDS OF TRUTH WHICH THE MARKETS REFLECT ARE BACKED UP BY THE FACTS. AND ONE OF THE MOST IMPORTANT THINGS THE MARKET IS TELLING US IS THAT THE UNITED STATES HAS A NEGATIVE POLICY TOWARD EXPORTING.

HOW DID THAT NEGATIVE ATTITUDE COME ABOUT?

IT HELPS TO UNDERSTAND PRESENT ATTITUDES IF WE LOOK INTO OUR PAST. SUCH AN UNDERSTANDING IS IMPORTANT FOR THE FORMULATION OF NEW, MORE CONSTRUCTIVE, POLICIES.

SO, IF YOU WILL INDULGE ME FOR A MOMENT, I WOULD LIKE TO TAKE A LOOK AT OUR HISTORY. THAT HISTORY HELPS EXPLAIN WHY THIS NATION -- WHICH HAS LED IN SO MANY OTHER FIELDS OF HUMAN ENDEAVOR -- CANNOT CLAIM LEADERSHIP IN WORLD TRADE.

AMERICA'S THREE FRONTIERS

MY READING OF HISTORY TELLS ME THAT OUR COUNTRY'S ECONO-

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MIC DEVELOPMENT HAS PASSED THROUGH TWO LONG PHASES AND THAT WE ARE NOW READY TO EMBARK UPON A THIRD.

THE FIRST PHASE WAS DESCRIBED 85 YEARS AGO HERE IN CHICAGO BEFORE THE AMERICAN HISTORICAL ASSOCIATION WHEN FREDERICK JACKSON TURNER PRESENTED HIS FAMOUS ESSAY, "THE SIGNIFICANCE OF THE FRONTIER IN AMERICAN HISTORY."

AS ANY SCHOOLBOY KNOWS, TURNER ARGUED THAT IT WAS THE CHALLENGE OF THE WESTERN FRONTIER AND THE NEW OPPORTUNITIES CREATED BY OUR WESTWARD EXPANSION THAT GAVE THE AMERICAN PEOPLE THEIR DYNAMIC CHARACTER.

"THE PEOPLE OF THE UNITED STATES," HE WROTE, "HAVE TAKEN THEIR TONE FROM THE INCESSANT EXPANSION WHICH HAS NOT ONLY BEEN OPEN TO THEM BUT HAS EVEN BEEN FORCED UPON THEM. MOVEMENT HAS BEEN ITS DOMINANT FACT AND, UNLESS THIS TRAINING HAS NO EFFECT UPON A PEOPLE, THE AMERICAN ENERGY WILL CONTINUALLY DEMAND A WIDER FIELD FOR ITS EXERCISE."

TURNER KNEW THAT THE FRONTIER WAS GONE; NEVER AGAIN WOULD SUCH BOUNTIFUL GIFTS OF FREE LAND OFFER THEMSELVES TO THE PEOPLE, BUT HE DID NOT VENTURE AN OPINION AS TO WHAT NEW FRONTIER WOULD CHALLENGE THE AMERICAN CHARACTER.

LOOKING BACK, WE CAN SEE THAT THE CHALLENGE WAS SHAPING UP RIGHT BEFORE TURNER'S EYES. BUT WE MUST REMEMBER THAT HE WAS AN HISTORIAN, NOT AN ECONOMIST, AND THE TREMENDOUS POTENTIAL OF THE DEVELOPING AMERICAN MARKET ESCAPED HIS NOTICE.

BY THE TURN OF THE 20TH CENTURY THERE HAD BEGUN TO FLOWER IN ALL ITS POWER THE GREAT AMERICAN DOMESTIC MARKET AS WE KNOW IT TODAY, A MARKET COMPOSED OF THAT FAMOUS QUARTET OF THE MODERN ECONOMIC WORLD: MASS PRODUCTION, MASS DISTRIBUTION, MASS DEMAND AND MASS CONSUMPTION.
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HERE WAS OUR SECOND FRONTIER. AND WE FOUND THAT THE DEVELOPMENT OF ITS FULL POTENTIAL WAS CHALLENGING ENOUGH AND REWARDING ENOUGH TO SOAK UP THE ENERGIES OF THE THREE NEW GENERATIONS OF AMERICANS.

IN 1900 WE WERE A NATION OF 76 MILLION PEOPLE. WE HAVE

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ADDED 142 MILLION IN THE INTERVENING 78 YEARS AND HAVE BECOME THE WEALTHIEST NATION, ENJOYING THE HIGHEST STANDARD OF LIVING, IN ALL HISTORY. WE DEVELOPED THE ASSEMBLY LINE, PUT A NATION ON WHEELS, MECHANIZED AGRICULTURE, INVENTED THE AIRPLANE, HARNESSED ELECTRIC POWER EVERYWHERE, BUILT THE OIL INDUSTRY, BUILT THE SUPERHIGHWAY, DEVELOPED SYNTHETICS, BROKE NEW HORIZONS IN CREDIT AND FINANCE, AND CROWNED THE CONSUMER KING.

IRONICALLY, THE BATTLES WE AMERICANS FOUGHT TO CONQUER THE FIRST TWO FRONTIERS ILL PREPARED US TO CONQUER THE THIRD. THE NEXT FRONTIER LIES BEYOND OUR BORDERS, IT IS THE WORLD MARKET, AND THE COUNTLESS OPPORTUNITIES THAT BECKON TO THE BOLD AND ENTERPRISING AMONG US.

WE ARE NOT PREPARED FOR THIS CHALLENGE BECAUSE OUR LAND HAS BEEN SO BOUNTIFUL AND OUR DOMESTIC MARKET SO LARGE. THE AMERICAN BUSINESSMAN WHO FACED THE CHALLENGES OF A DOMESTIC MARKET STRETCHING THOUSANDS OF MILES HAD LITTLE INCENTIVE TO REACH ABROAD FOR SALES AND PROFITS. AND WITH PLENTIFUL RESOURCES AT OUR COMMAND, WE HAD LITTLE NEED TO IMPORT, AND THUS LITTLE INCENTIVE TO SEEK EXPORT REVENUES IN ORDER TO PAY FOR IMPORTS. SO, UNLIKE MANY OF OUR TRADING PARTNERS -- NATIONS NOT SO LARGE AND NOT SO WELL ENDOWED WITH RESOURCES -- WE NEVER DEVELOPED A NATIONAL EXPORT CAPABILITY OR ETHIC.
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THAT IS NOT TO SAY THAT SOME AMERICAN BUSINESSES HAVE NOT RECOGNIZED THE BOUNTIES OFFERED IN FOREIGN MARKETS. IN SOME AREAS THERE HAVE BEEN SPECTACULAR SUCCESSES AND AMERICAN PRODUCTS DOMINATE. BUT EXPORTS TODAY COMPRISE ONLY 6.2 PERCENT OF OUR GNP, BY FAR THE LOWEST PROPORTION OF ANY MAJOR INDUSTRIALIZED NATION. ONLY ABOUT 8 PERCENT OF OUR MANUFACTURING FIRMS HAVE A STEADY EXPORT BUSINESS. AS A PEOPLE AND AS A GOVERNMENT, WE HAVE NOT YET REALLY RECOGNIZED THE RICH OPPORTUNITIES THAT LIE BEYOND OUR BORDERS. NOW HAVE WE RECOGNIZED HOW CRUCIAL IT IS THAT WE TAP THEM.

OVER THE LAST FIVE YEARS, IMPORTS HAVE INCREASED DRAMATICALLY, WITH OUR HUGE $45 BILLION A YEAR OIL BILL LEADING THE WAY. EXPORTS HAVE NOT BEGUN TO KEEP UP. EXCLUDING PRICE INCREASES, THE VOLUME OF U.S. EXPORTS IN 1977 WAS ONLY ONE PERCENT LARGER THAN 1974. THE VOLUME OF IMPORTS, IN CONTRAST, WAS UP 20 PERCENT OVER THE SAME PERIOD.

TODAY IT IS SAID THAT WE HAVE A NEGATIVE POLICY ON EXPORTS, I GENERALLY AGREE.

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THAT IS THE LAGACY OF A TIME WHEN THE UNITED STATES DID NOT NEED EXPORT MARKETS. NOW, WE DO. WE MUST CHANGE OUR WAY OF THINKING. AND WE MUST GENERATE A NEW ATTITUDE AMONG BUSINESSMEN AND GOVERNMENT OFFICIALS. TO DO THAT WE NEED AN AFFIRMATIVE NATIONAL EXPORT POLICY.

WHAT SHOULD THAT POLICY CONTAIN?

GENERAL PRINCIPLES

A NATIONAL EXPORT POLICY MUST CONSIST OF A MOSAIC OF ACTIONS OUR GOVERNMENT CAN TAKE TO MAKE EXPORTING MORE ATTRACTIVE AND MORE PROFITABLE. I USE THE WORD MOSAIC
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ADVISEDLY, BECAUSE WHILE EACH OF THE ACTIONS MIGHT BE A STEP IN THE RIGHT DIRECTION, WE CAN EXPECT SIGNIFICANT IMPROVEMENT IN OUR TRADING POSITION ONLY IF WE BLEND THEM TOGETHER IN A COMPOSITE AND CONSISTENT PICTURE.

A POLICY IS MORE THAN A SERIES OF DISCRETE ACTIONS. IT IS A STATEMENT OF WILL, AN EXPRESSION OF CLEAR INTENTION, A CHARTING OF DIRECTION. A NATIONAL EXPORT POLICY MUST EMBODY A NEW MOOD IN THIS COUNTRY ABOUT OUR PLACE IN THE INTERNATIONAL ECONOMIC ORDER. WE WILL NOT SUCCEED IF WE CANNOT ADOPT A NEW NATIONAL STATE OF MIND.

AS WE MOVE TOWARD A NATIONAL EXPORT POLICY, WE MUST RECOGNIZE THAT THE ALTERNATIVE IS NOT A REAL OPTION.

-- THE ECONOMIC INDEPENDENCE THAT CHARACTERIZED SO MUCH OF OUR HISTORY IS GONE. WE RELY ON OTHER NATIONS FOR ONE-HALF OF OUR OIL. YET ACCORDING TO THE POLLS, ONLY ONE-HALF OF AMERICA'S CITIZENS REALIZE THAT WE IMPORT ANY OIL AT ALL.

-- WE MUST RECOGNIZE THAT MANY BENEFITS FLOW FROM ACCESS TO FOREIGN PRODUCTS. OUR STANDARD OF LIVING AND OUR WAGE LEVELS WOULD BE SIGNIFICANTLY LOWER IF WE DID NOT TRADE. TRADE ALLOWS US TO SPECIALIZE IN OUR HIGHER-PAYING AND MORE EFFICIENT INDUSTRIES, BUYING FROM ABROAD THOSE GOODS THAT WE CANNOT MAKE EFFICIENTLY. SO WE MUST RESIST THOSE WHO SAY WE SHOULD RETREAT TO PROTECTIONISM.

-- FINALLY, WE MUST RECOGNIZE, AS DO GERMANY AND JAPAN, THAT TO PAY FOR OUR APPETITE FOR FOREIGN GOODS, WE MUST INCREASE OUR EXPORTS. THIS LAST LESSON SHOULD NOT BE A PAINFUL ONE, BECAUSE THERE ARE PROFITS TO BE MADE AND JOBS
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TO BE CREATED.

A NATIONAL EXPORT POLICY MUST HAVE FOUR FUNDAMENTAL COMPONENTS:

0 A FIRM AND VISIBLE COMMITMENT FROM THE FEDERAL GOVERNMENT AT THE HIGHEST LEVELS TO EXPORTING AS A HIGH NATIONAL PRIORITY;

0 AN INCREASE IN FEDERAL INCENTIVES TO EXPORTS;

0 THE REMOVAL OF UNWARRANTED BARRIERS TO EXPORTS; AND

0 A COMMITMENT BY BUSINESS TO EXPORTING, BASED ON THE BELIEF THAT GOVERNMENT SUPPORT WILL BE CONSISTENT AND ENDURING.

ELEMENTS OF A NATIONAL EXPORT POLICY

I WILL NOT ATTEMPT TODAY TO ELABORATE ON THE SPECIFIC ELEMENTS OF A NATIONAL EXPORT POLICY. THAT CAN BE DONE ONLY AFTER DETAILED PROPOSALS HAVE BEEN HAMMERED OUT WITHIN THE EXECUTIVE BRANCH IN CONSULTATION WITH THE CONGRESS AND THE PRIVATE SECTOR. I WILL, HOWEVER, OUTLINE SOME OF THE PRINCIPAL TOPICS THAT MUST BE ADDRESSED. THEY INCLUDE THE FOLLOWING:

TAXATION -- WE SHOULD REEXAMINE OUR TAX SYSTEM, LOOKING FOR APPROPRIATE TAX INCENTIVES TO ENCOURAGE EXPORTS. THESE INCENTIVES MUST BE TARGETED CAREFULLY. THEY MUST NOT CREATE WINDFALLS. I BELIEVE THAT CAN BE DONE. I BELIEVE IT IS POSSIBLE TO TARGET TAX INCENTIVES ON ACTUAL INCREASES IN EXPORTS OR EXPORT COMMITMENTS. AND I BELIEVE THAT IT IS POSSIBLE THROUGH THE TAX SYSTEM TO ENCOURAGE INVESTMENT IN NEW EXPORT CAPABILITY. ALL THIS SHOULD BE POSSIBLE WITHOUT THE UNDUE COST TO THE TREASURY AND IN THE LONG

TERM WITH A NET GAIN BECAUSE OF THE INCREASED ECONOMIC ACTIVITY.

EXPORT FINANCING -- THOUGH THE ADMINISTRATION'S LEGISLATION TO EXPAND THE EXPORT-IMPORT BANK WILL UNDOUBTEDLY HELP THE AMERICAN EXPORTING COMMUNITY, I BELIEVE WE CAN AND SHOULD GO FURTHER. EVEN WITH INCREASED EXIMBANK

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RESOURCES, THE FACT REMAINS THAT THE AMERICAN EXPORT FINANCING SYSTEM IS NOT AS EFFECTIVE AS THOSE OF OTHER COUNTRIES. WE NEED TO PROVIDE MORE HELP TO SMALL AND MEDIUM-SIZED COMPANIES. WE NEED TO CONSIDER EXIMBANK CREDITS FOR PLANT AND EQUIPMENT INVESTMENTS THAT ARE GEARED TO EXPORTING. AND WE NEED TO INVOLVE PRIVATE FINANCIAL INSTITUTIONS IN EXPORT FINANCE TO A FAR GREATER EXTENT THAN AT PRESENT.

EXPORT DEVELOPMENT -- WE NEED TO REVITALIZE AND EXPAND OUR EXPORT DEVELOPMENT PROGRAM. IT IS NOW AMONG THE SMALLEST OF THE MAJOR INDUSTRIAL NATIONS. THERE IS MUCH MORE WE CAN DO TO RAISE THE EXPORT CONSCIOUSNESS OF THE BUSINESS COMMUNITY. THERE IS MUCH MORE WE CAN DO TO PROVIDE INFORMATION AND ASSISTANCE TO COMPANIES THAT CAN PROFITABLY EXPAND PRESENT EXPORTING ACTIVITIES OR GET INTO EXPORT FOR THE FIRST TIME. FOR EXAMPLE, A RELATIVELY MODEST INVESTMENT WOULD PROBABLY ENABLE US TO DEVELOP A VAST COMPUTERIZED INFORMATION SYSTEM TYING POTENTIAL FOREIGN BUYERS ALL

OVER THE WORLD TO POTENTIAL SUPPLIERS ALL AROUND THIS NATION.

RESEARCH AND DEVELOPMENT -- A NATIONAL EXPORT POLICY SHOULD BUILD ON ONE OF AMERICA'S HISTORIC STRENGTHS: OUR LONG-TIME LEADERSHIP IN SCIENCE AND TECHNOLOGY. OUR MAJOR UNCLASSIFIED

SUCCESSES IN EXPORTING HAVE COME IN HIGH TECHNOLOGY AREAS SUCH AS TELECOMMUNICATIONS, COMPUTERS, AIRCRAFT AND ELECTRONIC EQUIPMENT. I BELIEVE WE SHOULD FOCUS GOVERNMENT SUPPORT FOR RESEARCH AND DEVELOPMENT IN WAYS THAT WILL LEAD TO NEW PRODUCTS AND VIGOROUS MARKETING STRATEGIES SUITABLE FOR EXPORT MARKETS.

ANTITRUST LAW -- AMERICAN COMPANIES PERCEIVE THEMSELVES AT A COMPETITIVE DISADVANTAGE BECAUSE OF U.S. ANTITRUST LAWS APPLIED TO BUSINESS CONDUCTED OUTSIDE OUR BORDERS. I BELIEVE WE NEED A SERIOUS EXAMINATION OF WHETHER THE ANTITRUST LAWS NEEDLESSLY IMPAIR OUR ABILITY TO COMPETE AGAINST INDUSTRIAL CONGLOMERATIONS ABROAD, CONGLOMERATES WHICH OFTEN ENJOY THE BLESSINGS OF THEIR GOVERNMENTS.

GOVERNMENT REGULATION -- AS WE DEVELOP AN EXPORTING ETHIC, WE MUST REEXAMINE A WIDE RANGE OF GOVERNMENT REGULATORY ACTIONS THAT MAY INTERFERE WITH U.S EXPORTS. TAX AND ANTITRUST POLICIES ARE AMONG THEM, BUT THEY ALSO INCLUDE ENVIRONMENTAL AND SAFETY REGULATIONS, AND POLICIES ON TRANSPORTATION, INVESTMENT AND EXPORT CONTROLS. WE MAY WELL NEED TO CHANGE SOME LAWS THAT SERIOUSLY HURT OUR

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COMPETITIVENESS. MOREOVER, AS WE CONSIDER NEW LAWS OR REGULATIONS, WE SHOULD EXAMINE THEIR EFFECT ON TRADE IN A SYSTEMATIC WAY.

THIS BLUEPRINT FOR A NATIONAL EXPORT POLICY IS AMBITIOUS. IT MAY COST THE TAXPAYER SOME MONEY. THE ABSENCE OF SUCH A POLICY WOULD COST EVEN MORE.

OUR THINKING MUST BE VIGOROUS. WE MUST NOT HESITATE TO TAKE CHANCES . . . IF WE EXPECT SUBSTANTIAL ACCOMPLISHMENTS. I HAVE NOT HESITATED TO ESPOUSE SUCH A PROGRAM WITHIN THE ADMINISTRATION, BECAUSE I AM CONVINCED IT IS VITAL TO OUR ECONOMIC AND POLITICAL WELL-BEING.

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PRESIDENT CARTER RECENTLY WROTE TO ALL OUR DIPLOMATIC POSTS TO TELL THEM THAT THE SUPPORT THEY PROVIDE THE BUSINESS COMMUNITY IN EXPORTING IS ONE OF THEIR MOST IMPORTANT OVERSEAS RESPONSIBILITIES.

HE RECOGNIZES THE NATIONAL NEED NOW, AS HE DID WHEN, AS

GOVERNOR OF GEORGIA, HE HELPED INSTITUTE ONE OF THE MOST AMBITIOUS EXPORT DEVELOPMENT PROGRAMS OF ANY STATE IN THE COUNTRY.

PRESIDENT CARTER'S LETTER TO OUR AMBASSADORS WAS JUST THE BEGINNING. WE ARE ONLY NOW BEGINNING TO RECOGNIZE THAT NATIONAL AND INTERNATIONAL ECONOMIC CONDITIONS HAVE CHANGED. WE ARE JUST NOW BEGINNING TO OVERCOME THE INGRAINED HABITS OF 200 YEARS.

A NATIONAL EXPORT POLICY CAN EVOLVE ONLY AFTER HARD WORK WITHIN THE COUNCILS OF THE EXECUTIVE BRANCH, CONSULTATION WITH THE CONGRESS, AND SUPPORT FROM THOSE OF YOU WHO ARE CONCERNED WITH INTERNATIONAL TRADE. I SEE REAL HOPE TODAY FOR A NEW EXPORT CLIMATE. AND I EXPECT IT TO SPAWN THE CONDITIONS WE NEED TO ADOPT A NATIONAL EXPORT POLICY.

I WOULD LIKE TO LEAVE YOU WITH ONE ADDITIONAL THOUGHT, THERE IS ONLY SO MUCH THAT GOVERNMENT CAN DO. MORE THAN THAT YOU WOULD NOT WANT. WITHOUT AN INNOVATIVE AND AGGRESSIVE PRIVATE SECTOR, WE CANNOT EXPECT TO MEET OUR EXPORT GOALS, BUSINESS MUST BE WILLING TO PURSUE FOREIGN MARKET OPPORTUNITIES WITH THE SAME PERSISTENCE, INGENUITY AND ENTERPRISE THAT COMBINED TO CREATE THE GREATEST DOMESTIC MARKET THE WORLD HAS EVER KNOWN. WE NEED YOU TO SPUR US ON. BUT AFTER WE HAVE DONE OUR PART, WE NEED YOU

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TO GO OUT AND GET THE ORDERS. END TEXT CHRISTOPHER

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